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DEPARTMENT OF OVERSEAS TRADE.

REPORT

ON THE

ECONOMIC AND FINANCIAL SITUATION

OF

EGYPT,

dated April, 1922,

BY

Mr. E. HOMAN MULOCK,

British Commercial Agent for Egypt, Cairo.

Egypt

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DEPARTMENT OF OVERSEAS TRADE.

COMMERCIAL REPRESENTATION ABROAD.

In order to foster British overseas trade to the utmost extent, the Department of Overseas Trade has developed and controls the following Services of Commercial Intelligence Officers overseas:

1. The Trade Commissioner and Imperial Trade Correspondent Services in the Empire.
2. The Commercial Diplomatic Service attached to the British Diplomatic Missions in foreign countries.
3. The British Consular Service in foreign countries.

1. At the present time there are 11 Trade Commissioners' offices established in various parts of the Empire overseas, viz.: three in Canada, at Montreal, Toronto and Winnipeg, respectively; two in South Africa, at Johannesburg and Cape Town; two in Australia, at Melbourne and Sydney; one in India (to cover Ceylon), at Calcutta; and one each in New Zealand, at Wellington; in British East Africa, at Nairobi; and in the British West Indies, at Trinidad.

The Trade Commissioners in the Dominions have the assistance of Imperial Trade Correspondents at a number of important centres, and the Department also has the services of Correspondents in various parts of the Empire, in which at present there is no Trade Commissioner.

2. The Commercial Diplomatic Service consists of between thirty and forty posts in all, and the officers of the Service are stationed in all the more important foreign markets of the world. The members of the Commercial Diplomatic Service are styled "Commercial Counsellors" in the highest grade, and "Commercial Secretaries" in the three lower grades. They are members of the staff of the British Embassy or Legation in which they serve.

The Commercial Diplomatic Officer has general supervision over the commercial work of the Consular officers in his area, and, with the co-operation of these two Services, a complete network of Government Commercial Representatives is thrown over foreign countries.

The Department is represented in Egypt by Mr. E. H. Mulock, British Commercial Agent for Egypt, The Residency, Cairo.

3. The Consular Service is being re-organised and established on an improved footing. Emphasis is being thrown on the importance of the commercial side of Consular work, and every effort is being made to recruit for the Consular Service men with the necessary qualifications for the work which they will handle.

4. Members of British firms are urged to call upon the Department's Representative abroad when they visit an overseas country. It is also important that they should make a point of their Representatives abroad keeping in close touch with the Department's officers.

A handbook, giving further details of the above Service, can be obtained on application at the Department of Overseas Trade, 36, Old Queen Street, S.W.1.

NOTE.

It should be understood that the views expressed in annual reports are the views of the officers themselves, and are not necessarily in all respects the views of the Department.

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TABLE OF LOCAL CURRENCY, WEIGHTS AND MEASURES MOST IN USE IN EGYPT, AND THEIR BRITISH EQUIVALENTS.

1 kilogramme, equals 2·226 rotls or ·801 oke, equals 2·205 lbs.
1 metric ton, equals 22·258 cantars, equals 19·684 cwts.
1 cantar,* equals 100 rotls, equals 99·0493 lbs.
1 rotl, equals 144 dirhems, equals 0·9905 lbs.
1 oke, equals 400 dirhems, equals 2·75137 lbs.
1 heml, equals 200 okes, equals 550·274 lbs.
1 ardeb†, equals 96 kadahs, equals 43·555 gallons or 5·444 bushels.
1 keila, equals 8 kadahs, equals 3·63 gallons.
1 rob, equals 4 kadahs, equals 1·815 gallons.
1 kadah, equals 1/96th ardeb, equals 3·630 pints.
1 feddan, equals 24 kirats, equals 5,024·16 sq. yards or 1·038 acres.
1 £E., equals 100 piastres tariff, equals £stg.1 0*s.* 6·154*d.* (at par, *i.e.*, 97·5 P.T. to £stg.).
1 tallari ($), equals 20 piastres tariff, equals 4*s.* 1¼*d.*

* 1 cantar of unginned cotton equals 315 lbs., and of ginned cotton 100 lbs.
† Approximate weight of an " Ardeb " of various seeds :—
Wheat 150 kilos. Barley 120 kilos. Lentils 157 kilos (whole).
Beans 155 kilos. Maize 140 kilos. Lentils 132 kilos (split).

	Weights approximate.
1 bale of steam-pressed cotton	7·75 cantars
1 bale of cotton pressed hydraulically ...	8·50 ,,
1 ardeb of cotton seed	270 rotls or 267 lbs.
8½ ardebs of cotton seed	1 ton
3 bales of steam-pressed cotton	1 ton 85 lbs.

N.B.—In Egypt liquids are often bought and sold by weight, and there are no special Arabic liquid measures.

REPORT

ON THE

ECONOMIC AND FINANCIAL SITUATION

OF

EGYPT.

I.—GENERAL REVIEW.

The financial situation of Egypt on 31st March, 1922, the close of the financial year, is more satisfactory than it was twelve months previously in spite of the low prices of cotton compared with 1920, the general trade depression which characterised the year 1921, and the natural outcome of these two factors, viz., the great decline in the imports and exports for 1921 from the record figures of 1920.

The total foreign trade of Egypt, *i.e.*, imports and exports, for the calendar year 1921 amounted to only £E.91,864,046 as compared with £E.187,348,024 in 1920, but although the former figure is about 18 millions below the average for the quinquennial period 1916-1920, it is some £E.800,000 above that for the six years 1915-20, which include a sub-normal year like 1915 and an abnormal year such as 1920. As, however, the decrease from 1920 to 1921 of 95½ millions is not too unequally divided between the imports and exports, and as re-exports more than doubled, the adverse trade balance, which in 1920 nearly reached 14 millions, fell just short of 13 millions in 1921. At the same time it must not be forgotten that the trade balance for each of the years 1914 to 1917, as well as for 1919, was a favourable one, which ranged from 2¾ millions in 1914 to 33 millions in 1919.

The decline in the value of imports and exports is more fully discussed elsewhere in this Report, but the diminution in the country's purchasing power, as represented by greatly decreased imports, is also reflected in the note issue which stood at £E.40,400,000 on 31st December, 1920, and after falling steadily to £E.30,500,000 on 31st August, 1921, rose during September and October to its maximum in the latter month, viz., £E.37,800,000, and after a drop in November closed at £E.37,000,000 on 31st December, 1921.

Broadly speaking, the country's purchasing power and financial position may be expressed in terms of cotton, a break in the prices of which closely affects not only Customs receipts on imports, but also receipts from the railways, the tax on P.T. 35 per cantar on ginned cotton, sales of land, State Domains, and, indirectly, most other sources of revenue.

Cotton Crisis, 1921.—It was chiefly as the result of the final break in cotton prices which fell to $18 a cantar in February,

1921, as compared with $187 in February, 1920, and partly of a deficit of over £E.15,600,000 created by abnormal expenditure during 1920 on coal to keep the railways and other public services going, and on imported cereals and flour to ensure Egypt's food supply, that the financial and economic situation became so serious towards the close of the financial year 1920-21 as to necessitate the adoption by the Government of several measures for its relief then and later during 1921.

Among the most important of the latter were, firstly, those for the relief of the cotton crisis and economic situation generally, viz., the measures decided on 4th March, 1921, which may be summarised as follows :—

(*a*) Government purchase of cotton (described in more detail under that heading).

(*b*) Advances on cotton by the National Bank of Egypt at the rate of $15 a cantar for F.G.F. Sakellarides and $10 on F.G.F. Ashmouni.

(*c*) Advances by the Agricultural Bank of Egypt for cotton cultivation.

(*d*) Suspension of the Ginning Law of 1916, which decrees that all cotton shall be ginned by 30th April in each year.

These measures were followed on 5th May by a law instituting Agricultural Rent Commissions (*see* p. 10) and on 20th September by a decree prolonging to 1922 and 1923 the restriction of cotton cultivation which had already been decreed for 1921.

Secondly, the financial situation was greatly relieved by severe retrenchment and economy on the part of all Government Departments; by the introduction of Excise duties on locally produced petroleum products and alcohol, of consumption dues on certain kinds of imported liquids, foodstuffs, and building materials, and of specific Customs duties on imported alcohol (for details of all of which *see* Appendix I) ; by a second increase during 1921 of the import duties on leaf and manufactured tobacco (*see* p. 17) ; and by the liquidation of Government stocks of flour.

Budget.—The result of these measures has been that whereas, owing to the deficit of £E.15,600,000 at the end of the financial year 1920-21, the budget for 1921-22 could only be balanced at £E.38,682,000 by a draft on the General Reserve of £E.1,980,000, the 1922-23 budget of £E.33,630,000 includes a surplus of £E.2,190,000, which will be added to the Reserve.

Egypt's financial position may, therefore, be considered fairly satisfactory, but the same cannot be said for her economic outlook, which, besides being heir to most of the ills bequeathed by the trade depression of 1921, is naturally affected by the uncertainty of a demand for the balance of this season's outturn of cotton; the prospect of a very low Nile; and the high rents still prevailing for many agricultural lands. It is to be hoped, at least, that financial stability will not be permitted to be undermined by uneconomic measures such as the purchase of cotton by the Government, which is again being urged upon it by interested parties regardless of the fact that the price of cotton on 3rd March, 1922, stood at about $12 a cantar higher than

it did when this measure was first decided upon by the Government twelve months previously.*

Government Purchase of Cotton.—In 1921 cotton was at first purchased unginned in the provinces in lots not exceeding 100 cantars, with a view to assisting small cultivators. The price was fixed weekly, and $23 a cantar for F.G.F. Sakellarides, and $16 for F.G.F. Ashmouni were decided upon for any purchases that might be made on 4th March, when the average price of May contracts at Alexandria was $22.09. These purchases in the villages, which were effected by approved firms of cotton exporters acting on behalf of the Government, began on 20th March and ceased on 31st May, a total of 58,893 cantars being bought for £E.273,254, or an average of $23.19 per cantar.

Government purchases were extended to ginned cotton in bulk at Minet-el-Bassal, the cotton market at Alexandria, as from 5th April (when May contracts averaged $28.30) and ceased on 30th June, a total of 8,965 bales, or 67,237 cantars approximately, being purchased for £E.427,165, or an average of $31.76 per cantar. Thus the sum total of Government purchases of cotton in 1921 amounted to 126,130 cantars at a cost of £E.700,419, representing an average over all of $27.76 per cantar.

Cultivators' Syndicate.—The above measure was successfully urged upon the Government by the General Agricultural Syndicate of Egypt, whose formation and programme for the defence of the Egyptian cultivators' interests were described on pages 11 and 12 of the Report for 1920, and which has achieved prominence on several other occasions in 1921 in matters closely affecting various aspects of Egypt's cotton industry and other agricultural activities.

The Syndicate claims credit, either by its own unaided efforts or by successful representations to the Egyptian Government, for nearly all of the various measures adopted during 1921 for the relief of the cotton crisis, and though it is apt to forget that the realisation of such measures is, more often than not, the work of other influences or agencies than its own, it has, thanks to its political influence, proved itself a force to reckon with, and, as such, deserves more than a passing notice.

The most important of the developments affecting Egyptian cotton with which the Syndicate was directly or indirectly concerned during 1921 were :—

1. The stabilisation of cotton prices by Government purchase, described above.

2. The despatch of two delegates of its own to the World Cotton Conference at Liverpool and Manchester in June to represent the difficulties experienced by the Egyptian cultivator in selling his cotton at a remunerative price and to offer suggestions for their solution, which included the establishment of direct relations between the producer and the spinner.

3. The Cotton Freights Controversy at the outset, and until the Syndicate intervened, was a purely commercial issue between the British

* On 22nd April, 1922, the Council of Ministers decided to intervene in the cotton market at Minet-el-Bassal.

Conference Liners and the United States Shipping Board, arising out of the demand of the latter that their vessels should share in the transport of Egyptian cotton to America, which, in the absence of any competition prior to 1920, and in view of the long years of satisfactory service rendered, had been the annual monopoly of the five British shipping companies known as the Liverpool Conference Liners. The local agents of the latter had, in March, 1921, proposed a reduction of freights for cotton both to the United States and to the United Kingdom, but nothing definite was done in the matter until 2nd June, 1921, when their combined tender for the 1921-22 cotton season, reducing existing freights to the United Kingdom from 60*s.* to 30*s.* per ton, and to the United States from 90*s.* to 40*s.* per ton, was recommended by the Alexandria General Produce Association as more acceptable to their cotton-exporting members than the separate tenders of the U.S.S.B., which offered 40*s.* per ton to the United States and 25*s.* per ton to the United Kingdom.

It should, however, be noted that the reduction of freights, for which the Syndicate claims credit in its report of the year's work, was already a *fait accompli* before it intervened at all, and that the controversy was finally settled months later, by negotiations, thanks to the conciliatory spirit shown by the British lines.

4. The agitation to induce the Government to abolish the tax on ginned cotton of P.T. 35 per cantar, represented by the Syndicate as being too high a proportion to ruling prices of cotton. There is a probability that this tax will be either removed altogether or graduated in the case of the lowest grades of cotton.

5. The extension to the years 1922 and 1923 of the decree enacting for 1921 the restriction of cotton cultivation to one-third of each man's holding. This extension was enforced by Law 24 of 20th September, 1921.

6. Protests by the Syndicate through official and commercial channels in November and December, 1921, against the prolongation until February, 1922, of the import duty instituted in May, 1921, in the U.S.A. of $7½ per cantar, *i.e.*, 7 cents per lb., on foreign cotton of 1⅛ inches staple and over, and against the rumours that this tax was to be not only increased to $8½, but also made permanent and applied to all grades. In view of the fact that long staple Egyptian cotton, *i.e.*, Sakellarides, is directly affected by this tax, anxiety as to its effect on American demand is understandable, but as the object of its imposition is to protect the nascent cultivation in the U.S.A. of American Egyptian long staple cotton, to take the place of Sea Island, the arguments for its retention are as cogent as those against.

The activities of the Syndicate during the first three months of 1922 have been chiefly centred on securing a settlement, favourable to the owners and cultivators of cane, of the problem of sugar control, and on their scheme for the creation of a National Agricultural Bank. The latter project is the outcome of their realisation that, without funds or capital of any kind, they cannot carry out their initial programme of according financial assistance to the Egyptian cultivator, and they therefore propose to raise a total of £E.3,000,000 for the bank's capital. For this purpose the tax of P.T. 35 per cantar on ginned cotton is to be abolished altogether (thus depriving the State of a source of revenue worth about £E.2,000,000 yearly), and an export tax on cotton of P.T. 5 to 10 per cantar is to be instituted. This would be collected at the Customs and devoted for a period of 10 years to the formation of the capital of this bank, which would be inalienable and become the undisputed property of the nation.

Sugar Control.—As regards sugar control, it is probable that, by the time these lines are in print, the Syndicate will have proved successful in urging the Government to renew it as from 1st August, 1922, the date on which, otherwise, unrestricted import of sugar would have become possible again, and enabled the consumer, in other words the great majority of the population of the country, to buy it at the rate of several pounds per ton cheaper than he does now, and probably will for the next 12 to 18 months have to pay for Egyptian cane sugar.

The existing arrangement by which sugar control was temporarily extended for 6 months from 1st February, 1922, in order to enable the Sugar Company to dispose of its unsold surplus of 12,500 tons, has reduced the price of Egyptian sugar from £E.56 a ton, at which it stood during the 12 months ending 31st January, 1922, to £E.44 a ton, by the admixture of an almost equal quantity of cheaper sugar at £E.32·500 per ton.

The proposed basis for the renewal of control for a year as from 1st August, 1922, is a further reduction in price, viz., to £E.36 a ton, arrived at by mixing 60,000 tons at £E.35 a ton with the surplus, estimated at 7,500 tons, of the sugar priced at £E.44.

The issues raised by a detailed discussion of the merits and demerits of this renewal are too complicated for the purposes of this Report, but it is clearly possible that unless the world price of sugar rises during the period of control to the level of the Egyptian cost of production, the majority of the population of Egypt, in the persons of the consumer and importer, will suffer in comparison with the minority who derive a direct advantage from the operations of the Sugar Company; the landlords who own the 57,000 acres of land under cane grown for the refinery; the fellaheen and their families who cultivate it for a livelihood; and some 3,000 persons employed in crushing, refining, etc.

On the other hand, so long as the world's sugar parity remains, at the most generous computation, not more than two-thirds, as at present, and under the new arrangement five-sixths, of the controlled price of Egyptian sugar, termination of control would mean the end of about 50 per cent. of Egyptian cane cultivation, viz., that grown for the refinery, as distinct from cane that is either eaten raw or in the form of cheap molasses produced by a large number of native factories in Upper Egypt for the consumption of the poorer classes.

Government Policy towards Trade.—It is certain that the renewal of sugar control, which precludes the free import of foreign sugar and its substitutes, is out of harmony with the general policy of the Egyptian Government towards trade, which during 1921 aimed at removing all possible restrictions on imports and exports.

These have now been whittled down to the export of gold and the import of sugar, and, as the result of the liquidation by the end of May, 1922, of Government stocks of flour, not only will unrestricted importation of flour, wheat, etc., shortly be restored, but also the Department of Supplies, in the absence of any

further need for its services, will cease to exist in a few months' time.

Department of Supplies.—This Department, which succeeded the Supplies Control Board on 4th March, 1920, has been responsible for ensuring the supply of Egypt's food by supplementing shortages of home-grown produce, or, conversely, restricting the import or export of foodstuffs and other commodities which would prejudice Egyptian consumption or trade. It has also controlled both the prices and the distribution of foodstuffs, and has been of great material and moral assistance to the numerous co-operative societies which have done so much to relieve the economic distress in the Provinces.

Agricultural Rent Commissions.—One of the chief causes of the cotton crisis during 1921, which so acutely and widely affected the economic and financial situation of the fellaheen, consisted of the high rents for agricultural, and particularly cotton, lands demanded by landlords who had based their leases on previous cotton prices far above those ruling in 1921.

As the result of official investigation into the numerous protests by tenants, but not as the outcome of any representations to the Government by the Syndicate, Law No. 14 of the 5th May, 1921, was passed, setting up Commissions for the investigation of all claims to have rents reduced. This measure was absolutely justified both originally on economic grounds and subsequently by its results which have exceeded all expectations. Rents were reduced generally from 30 per cent. to 60 per cent., and, even so, left the landlords with an ample profit, while affording welcome relief to the tenants; thus besides putting an end to many disputes between landlord and tenant, the Agricultural Rent Commissions have done something towards relieving the financial situation of the smaller fellaheen.

No less than 110,439 cases had come before the Commissions by 31st December, 1921, and it is generally hoped by the tenant element that their existence will be prolonged during 1922.*

Cotton Prices.—Rents, particularly of cotton lands, are naturally very closely affected by the price of cotton, which, in the case of spot prices based on the official quotations issued every Friday for F.G.F. Sakellarides, varied during 1921 between a minimum of $20 on 25th February and a maximum of $57 on 7th October.

Even allowing for the drop during the period 25th February to 4th March inclusive, the average minimum spot price during the first 8 months of 1921 was $26.44, and the average maximum $30.69, while, with the exception of February and March, when it rose to $10½, the difference between monthly maximum and minimum prices was never more than $3.

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* These Commissions have been since extended by Law No. 16 of 25th April, 1922, to leases concluded in 1920 for the agricultural year ending 31st August, 1922.

A distinct change was, however, brought about at the opening of the 1921-22 cotton season, when, as the result of a sudden and considerable demand from American spinners—alarmed by the unfavourable reports of the crop in the U.S.A.—spot prices rose from $35 on 2nd September to $56 on 30th September and $57 on 7th October, while November contracts actually touched $63.10 during the week ending 8th October. Thereafter, owing to diminished demand from America, spot prices declined rapidly and closed at $40.50 on 30th December, 1921, which, however, compares very favourably with the price on the same date in 1920, viz., $31.

The extent to which exports of cotton during 1921 were affected by the boom in September and October is evident from the foot-note to Appendix II, from which it will be seen that the last four months of that year accounted for more than half the total quantity and over 64 per cent. of the total value of cotton exported during the whole of 1921.

The total quantity and value of cotton exported during the first three months of 1922 was 1,546,224 cantars, valued at £E.9,613,606, as compared with 1,054,308 cantars, valued at £E.4,757,996 for the same period in 1921.

Cotton Yield and Acreage.—Among many factors which react closely upon the price of cotton, the yield and acreage of the current season's crop and total eventual outturn are of vital importance. The final official estimate of the yield is not usually completed till about December 6th, but, owing to a variety of circumstances which need not be enumerated here, it can never be more than approximate.

The estimate of 3,300,000 cantars for the 1921-22 crop appears to have been very much below the mark, as will be seen from Appendix IV. The yield per acre (feddan), according to this estimate, only averaged 2.56 cantars for an acreage of 1,291,878 feddans, as compared with an average, per feddan, of 3.3 cantars for an acreage of 1,827,868, from which the estimated yield was 6,035,504 cantars, in the case of the 1920-21 crop.

The decline shown above in the total acreage under cotton is, of course, the result of legislative restriction during 1921 to one-third of each man's holding; but as, on the one hand, the 1920-21 acreage was the largest on record and abnormal, and as, on the other hand, restriction of cotton cultivation is affected by numerous applications for exemption therefrom, it is impossible to take the 1921-22 acreage as a criterion of what a restricted area under cotton should be.

Food Supplies.—The result is that it is difficult to forecast the extent to which the restriction of cotton cultivation will affect the acreage under wheat, maize and other cereals, on which Egypt largely depends for her food supplies.

The area under wheat in 1920-21, viz., 1,405,000 feddans (a surprisingly large one considering that it was followed by a record cotton acreage), was estimated to produce a net crop of 900,000

tons, which, on the basis of 82.5 tons per 1,000 of a population of 13,387,000, was 200,000 tons short. This shortage was made good by imports of foreign flour under the ægis of the Department of Supplies, but the shortage proved to be more apparent than real, as the result of a decreased consumption of wheaten flour and a corresponding increase in the consumption of maize.

By the time the 1921-22 wheat crop is harvested, all restrictions on imports of cereals and flour through commercial channels will have been removed, as the result of the final liquidation of Government stocks of flour, and it has, therefore, yet to be seen how this will affect Egyptian production and consumption of home-grown food supplies, and, consequently, the economic situation in general during 1922.

II.—TRADE.

It is not too much to say that in no country do politics react more closely upon trade than in Egypt, where the uncertainty of the political situation and outlook has several times during 1921 been as much responsible as the trade depression for the continued slump in business, culminating, as it has on more than one occasion, in a semi-paralysis of trade.

Trade, however, was not appreciably affected by the boycott which was heralded with such fervour by certain sections of the vernacular Press from early in December, 1921, but which, in spite of voluminous advice and exhortations as to the most efficacious *modus operandi*, proved, as was to be expected, impracticable, except in isolated and relatively insignificant instances. In numerous cases the attempted boycott was obviously found to be a useful pretext for refusal to take up a consignment of goods ordered. It is, however, to be hoped that the movement has proved a blessing in disguise by bringing home to Egyptians at large that an agricultural country like their own cannot in the course of a few weeks, or even months, become independent of foreign industry, and that a boycott is a two-edged weapon, to say nothing of the considerable diminution of revenue from the Customs which would result from a greatly decreased importation of the manufactures produced by the countries in question.

As in most other countries, the year 1921 proved disastrous for many small tradesmen in Egypt, and has also hit the large retailers heavily, but owing to their large profits, made during the war and in 1919 and 1920, the majority of the latter have succeeded in weathering the storm.

As a result of keen foreign competition—particularly that of low currency countries—and the ridiculously low freights ruling on German and Belgian vessels, the United Kingdom exporter has had a very uphill fight, but from recent indications, even in spite of the diminution in Egypt's purchasing power, the outlook would appear somewhat brighter.

The greatest difficulty to contend with has been the rapid fall of prices in the United Kingdom, and in Europe generally, which has encouraged Egyptian consignees to refuse to meet their obligations in the hope that prices will fall still lower, and this has been particularly noticeable in the textile trade. Thus the United Kingdom manufacturer is very much at the mercy of circumstances, as foreign competitors are offering goods at low prices, thereby compelling the British merchant to lower his proportionately. British quotations, on the whole, are far above those of other countries for all classes of goods, and it is not always the low currency countries which underquote British manufacturers in open tender. Owing to low freights ruling from Antwerp, and low cost of production, Belgian firms are invariably in a position to underquote United Kingdom exporters for all constructional steel work and for many types of machinery.

However, in spite of adverse trade conditions during the year under review, it is encouraging to observe that the number of tenders submitted to the Egyptian Government by United Kingdom firms, whether successful or not, has increased very considerably. Technical experts are of opinion that, provided United Kingdom locomotive manufacturers can get down to low quotations, and that terms of delivery (a most important factor) are satisfactory, and spare parts supplied in adequate quantities, there is no reason why they should not secure future orders in competition with foreign firms, as it is admitted that the British article has generally proved itself to be superior in quality and durability to the productions of Germany and the United States of America.

The Customs Authorities and the Egyptian bonded warehouses have been compelled, owing to shortage of space and to deterioration of goods in storage, to hold periodical sales during the year of accumulated stocks of unclaimed goods, mostly textiles, which have resulted in further damaging the woollen and piece goods trade by reason of the low prices thus realized. Large quantities of Bradford goods have been sold in this manner, thereby tending to breed suspicion in the minds of United Kingdom firms against Egyptian consignees, which is, unfortunately, only too frequently justified by events.

Banks have allowed considerable credit during 1921 to well-known importers of textiles, as, although heavy orders have been given to Manchester and Bradford to meet local requirements, buyers of quite good standing have found difficulty in obtaining ready money payments and, of course, the Egyptian market is rarely normal owing to sudden rises and falls in cotton prices.

With the failure of many small opportunist commission agents, it is hoped that trade may again begin to settle into a more normal groove in the capable hands of old, or at least, well-established and experienced firms.

Business in cash-on-delivery parcels continues to form a very important trade connection between Egypt and the United Kingdom, but complaints have been made that parcels have

taken 30 days and over to reach this country after posting. The Egyptian Postal and Customs Authorities are to be congratulated on the speed and efficiency shown in the examination and delivery of parcels, which often arrive in such large numbers as 1,000 sacks by one mail, and as the circumstances accounting for the delay would appear to arise in the United Kingdom, there is every hope that the service will be considerably accelerated as the result of consultation with the General Post Office in London. Wider publicity in the home Press, and elsewhere, as to latest hours and dates for posting parcels would tend to remove one cause of the delay, viz., the loss of seven days by missing a parcel mail. The textile and cutlery trades are particularly affected by delays in the Cash-on-Delivery service.

Import Trade.

The very great drop in the total value of imports in 1921, as compared with the record year 1920, affords ample proof of the continued trade depression and the decrease in the country's purchasing power as the result of low prices ruling for cotton. At the same time, a general fall in prices of goods of all kinds during 1921 accounts to a large extent for the decline in values, as there are numerous cases of goods in which a slight decrease or even an increase in quantity is accompanied by a considerable diminution in the corresponding value. This is particularly noticeable in the case of cotton piece goods, woollen textiles, iron and steel goods, and coal.

The totals of imports in 1920 do not, however, constitute a fair criterion of normal Egyptian trade, and it is satisfactory to note that the 1921 total is more than £E.2,500,000 above the average for the years 1916-20 inclusive.

It will be seen from Appendix V that the decline in value from £E.101,880,963 in 1920 to £E.55,507,984 in 1921 is reflected in every category of imports, and that it is due chiefly to large proportionate decreases in yarns and textiles, wood and coal, colonial produce and general groceries, paper and printed matter, metals and metalware, and in spirits, beverages and oils. So far as the responsibility for this decline on the part of the principal countries is concerned, it will be seen from Appendix VI that the onus falls on the United Kingdom individually, as well as on the British Empire as a whole, since the decrease in the Imperial total accounts for more than half of the decrease in the grand totals for all countries.

The proportion borne by United Kingdom imports to the total is only about 31 per cent. in 1921 as against about 37 per cent. in 1920, while the share of the British Empire has dropped from nearly 50 per cent. in 1920 to 40 per cent. in 1921.

However, some consolation may be derived from the fact that the proportionate decreases are much greater in the case of foreign countries such as Chile, Japan, Russia and Switzerland, and that of the 28 principal countries from which imports into

Egypt are derived, only three, viz., Czecho-Slovakia, Germany and Roumania, increased their total in 1921.

German Competition.—The efforts of German firms to regain their pre-war position in the Egyptian market call for some comment, particularly in regard to the methods employed in order to achieve the desired result. Messrs. Fried. Krupp have actually offered a credit to their agents extending over a period of three years, and other German firms are allowing from six months' to two years' credit.

Both German and Austrian firms are offering to complete at pre-war prices contracts which were made before the war and abandoned. The Egyptian State Railways have received delivery of a pre-war order from an Austrian firm on these terms, while an Egyptian firm exporting skins and hides to Germany in pre-war days, who claimed payment for a consignment sent before the war, received payment in kind in the form of sufficient electrical apparatus, aluminium wares, sewing machines, cutlery, &c., from a Dresden firm to stock two shops.

The eagerness of local agents to secure German agencies is entirely to be attributed to the fact that such agencies are vastly more profitable than British ones. As an illustration of this, a recent consignment of aluminium plates arrived in Egypt from Germany, which, though the value declared at the Customs was only 1 millieme each, would be retailed at below current market price at 15 milliemes each. Similarly, German table knives are imported at 4½ milliemes and retailed at 5 piastres, while the low prices asked for German safety razors and nail scissors make these lines more attractive to the buyer than British or American products.

German cloth is now arriving in fairly large quantities and compares very favourably with Bradford goods in quality, and of course the price asked is low.

The statistical table in Appendix VII affords ample proof of the extent and variety of German competition with the United Kingdom, and it is significant that the total imports from Germany in 1921 increased by nearly 50 per cent., while those of the United Kingdom dropped to considerably less than half of the 1920 figures.

During 1921 parcel mails from Germany were very heavy, particularly during the summer months, and it is a matter for comment that a large quantity of Italian parcels contained goods of German origin, with the result that certain Italian firms have made large profits.

German trade propaganda in Egypt is widely spread in many languages, particularly Italian, and there is no doubt that the inducements held out to local business men who visited the Leipzig Fair have resulted in large orders for Germany. Visitors were furnished with 1st class tickets on the German railways at 3rd class rates; their hotel bills were very much reduced;

almost immediate delivery of goods was promised and long credit offered without much guarantee.

The fact, however, that German firms now insist on payment in foreign currency may help to place competition on a slightly more equal footing.

The year 1921 has seen an epidemic of infringements of trade marks, and in this respect German firms are by far the greatest offenders. German knives are being imported with the word "Sheffield" stamped on the blade, and German razors are on the market with "Guarantie Solingen" stamped in Latin characters near the handle, and "Real English" in Arabic letters in the middle of the blade. The imitation of the name of a well-known British razor has been effected by changing one letter in the name. These razors are for the most part despatched from Italy by parcel post to small Egyptian and Levantine traders in the native quarters. Numbers of imitations of well-known American razor blades are being sold which are of very poor steel and blunted. These goods are made in Germany and packed in boxes of the same size as those from America and bearing a facsimile of the signature of the maker.

Remarks on other foreign competition will be found under Cotton Piece Goods, Iron and Steel Goods, and Coal, while a comparison of certain British and foreign business methods is given under the heading "Promotion of Trade and Industry."

Cotton Piece Goods.—The United Kingdom, by far the largest exporter of these goods to Egypt, is chiefly responsible for the great decrease in value in 1921, and in only two of the sub-divisions as classified in the Customs statistics, viz., cotton piece goods dyed in the piece, and "other," was there any increase in the value of imports from the United Kingdom. The most noticeable decreases in value were in greys, bleached, printed and goods dyed in the yarn, while Italy, her nearest competitor, shows an increase only in piece goods dyed in the yarn and "other."

The total value of cotton piece goods imported by weight fell from £E.12½ millions to £E.7½ millions, while the corresponding quantity rose from nearly 19½ millions of kilos in 1920 to nearly 24 millions in 1921.

Iron and Steel Goods.—The value of United Kingdom manufactures imported in 1921 has decreased considerably in the case of all the Customs sub-divisions of these goods excepting wrought iron and steel pipes and cast-iron manufactures including pipes and fittings; but those of Belgium, her closest rival in most kinds of goods of this nature, have also decreased though not in the same proportion.

Coal.—Despite further deliveries of large Government orders secured during the 1920 coal strike in Great Britain by the United States of America, imports from the United Kingdom exceeded the total quantity from America, though the value of

the latter was higher, thus showing conclusively that Great Britain is regaining her foothold in the Egyptian market. The comparative figures taken from Appendix VIII are as follows :—

	United Kingdom.		United States of America.	
	Tons.	Value. £E.	Tons.	Value. £E.
1920 ...	232,054	1,588,952	469,308	4,446,236
1921 ...	396,411	1,063,375	363,034	1,697,195

Imports of coke in 1921 amounted to only half those for 1920, while patent fuel decreased six-fold. Supplies of cheap patent fuel from Belgium, which although they were more than five times greater in 1921 than in 1920, did not seriously compete with the United Kingdom, and have ceased altogether in 1922.

Tobacco.—It is gratifying to note that the United Kingdom was the only country manufacturing cigars and cigarettes the value of whose imports increased in 1921; on the other hand, imports of other manufactured tobacco from the United Kingdom amounted to only about one-twelfth of the value and an eighth of the quantity recorded in 1920.

At the beginning of October, 1921, the import duties on tobacco and cigarettes were increased as follows :—

A. In the case of countries which have no special arrangement with Egypt :—

(*a*) Leaf tobacco, 620 to 820 milliemes per kilo.

(*b*) Leaf tobacco without petiole, rib or costa, 720 to 920 milliemes per kilo.

(*c*) Cut, pressed or shredded tobacco, or in the form of cigarettes, 720 to 1,020 milliemes per kilo.

B. In the case of countries which have a special arrangement with Egypt :—

(*a*) 600 to 800 milliemes per kilo.

(*b*) 700 to 900 milliemes per kilo.

(*c*) 700 to 1,000 milliemes per kilo.

C. On cigars of any origin, 700 to 1,000 milliemes per kilo.

D. Drawback on each kilo of tobacco re-exported in the form of cigarettes on and after 3rd December, 1921, 600 milliemes per kilo instead of 400 milliemes.

A (*b*) and B (*b*) are innovations, as the various kinds of tobacco designated in (*b*) and (*c*) were formerly amalgamated under one category.

Export Trade.

The total value of exports, including cigarettes, from Egypt in 1921 amounts to only £E.36,356,062, as compared with £E.85,467,061 in 1920, the record year, and is nearly £E.20,700,000 below the average for the years 1916-20 inclusive.

Cotton.—All but about £E.2 millions of this decrease in value is accounted for by the break in the price of cotton, of which—as can be seen from Appendix II—the total quantity rose by nearly

20 per cent. while the corresponding value dropped 63 per cent. in 1921.

In spite of the sudden and considerable demand from America, referred to earlier in this report, it is the United States whose purchases of Egyptian cotton account to a greater extent even than those of the United Kingdom for the drop in the total value in 1921, while the figures given in Appendix III show that this applies even more forcibly to the decline in the total value of the 1920-21 season from that of the 1919-20 season (which in the case of cotton begins on September 1st and ends on the succeeding 31st August).

Miscellaneous.—It will be seen from Appendix IX that there were slight increases in only four of the main categories, while Appendix X shows that Canada, Czecho-Slovakia, Germany, Greece, Palestine, and Turkey increased their purchases, whereas all the other countries specified contributed in varying proportions to the total decrease, the most noticeable being the United States of America, the United Kingdom, France, Italy and Switzerland, in the order named.

Promotion of Trade and Industry.

Methods of Business.—The work of the agent in Egypt is not always a very simple task in view of the many difficulties confronting him, and in this connection United Kingdom firms would be well advised to consider carefully any suggestions which he may put forward, as German firms are again making every effort to provide the very articles required, and it is an unfortunate fact that certain British firms have, in the past, insisted on placing high class goods on the Egyptian market which were absolutely out of keeping with the customs and tastes of the buyers, with the result that foreign firms have made greater sales and agents became disheartened. For instance, in the opinion of many Egyptian firms selling boots and shoes of United Kingdom manufacture, a much greater scope for their sale would be found if United Kingdom firms would only keep their agents up-to-date in price lists, in order that they may be in a position to meet any sudden fall in competing prices.

A well-known Swiss firm maintain their position by making use of the weekly system of payments, but British firms should be very careful when doing this kind of business through their local agents, as the pitfalls are many and are not very easily avoided unless the agent is absolutely certain of the integrity of his clients. At least 30 days' credit should be allowed to the agent to cover payment against delivery of the goods in view of the difficulty experienced in collecting payments, and also of the prejudice of the native buyer in favour of seeing the goods before he pays for them. Many United Kingdom firms allow a credit of 90 days when the name and credit of the client are known to them.

It is believed that foreign competition in motor cars could be met if United Kingdom manufacturers would agree to send their products out on consignment, and credit the agent with the reduction on the price of those sold if and when the manufacturer reduces the prices at home. Under existing trade conditions, when cars are paid for before shipment, agents are not able to stock those of British manufacture, as on many occasions in the interval between shipment and delivery the price at home is reduced and the fact advertised, in which case the agent is compelled to bear the subsequent loss owing to the fact that the market in this country is very well advised ; while it must be borne in mind that the profits to be made by a trader who endeavours to meet foreign competition are in any case so low that he cannot afford to stock goods on which he has to bear the burden if the manufacturer's price falls.

The policy of some United Kingdom firms of insisting that an agent must guarantee the sale of a stipulated number of cars per annum is, in such an uncertain and already overstocked market as Egypt, an almost impossible method of trying to do business.

It is greatly to be regretted that a certain British firm dealing in motor cars and tractors in Cairo and Alexandria—who imported only British goods in pre-war days—now handle American manufactures almost exclusively, owing to better terms, better attention and generally better goods for local conditions. That this unfortunate experience of the methods of United Kingdom firms is not confined to this instance alone, is proved by the fact that local agents complain that no inclination on the part of United Kingdom firms to push trade vigorously is noticeable, and that their representatives rarely visit Egypt ; while agents who deal with American firms as well, notice their United Kingdom principals' lack of consideration of their agents' difficulties and a disinclination to bear their share of any expenses consequent on defects in machinery or other causes.

Advertising and Commercial Propaganda.—Film advertising is becoming more popular, as is also the complete film of the working of various factories in different countries, and also views of interesting or beautiful European scenery.

It is to be regretted that United Kingdom manufacturers have not extended this form of advertisement to Egypt, while views of characteristic parts of the country and seaside of Great Britain, and of every-day life in large cities in the United Kingdom, would be appreciated in Egypt by many European residents who take more than a passing interest in Great Britain and the British.

Apart from film advertising, advertisement of every description is becoming every day more widespread in the cities of Egypt, but, with the exception of one or two trade associations, British commercial concerns are very much behind their competitors in this respect.

Owing to the cosmopolitan nature of the inhabitants of Egypt, the illiteracy of a large proportion of the native population, and

the inaccessibility of large centres of population outside the chief towns, it is a matter for regret that advertising and commercial propaganda are not widespread in the Provinces, particularly when it is considered that Egypt is a country of quickly changing and uncertain fortunes as the result either of fluctuations in the price of cotton or of political unrest.

Advertisement is the only way in which either new or old firms can hope to capture or maintain the Egyptian market, and it should be remembered that the more novel the advertisement the more likely it is to bring about the desired results.

A prominent firm of cigarette manufacturers has by gradual stages elaborated a most comprehensive advertising campaign by the issue, with each box of their cigarettes, of coupons entitling the purchaser to rebates on cinema theatre tickets, on goods ordered at certain shops; as well as to free copies of certain newspapers.

Sample Exhibitions.—The Italian Floating Fair which was referred to in the Report for 1920, as also a similar venture originating from Germany, did not materialise, as far as the proposed visit to this country in 1921 is concerned.

Preparations were made on a considerable scale for the inauguration in January, 1922, of a Permanent British Sample Exhibition in Alexandria, but it is greatly to be regretted that the lack of sufficient support from United Kingdom manufacturers has so far prevented the realization of a scheme which reflects great credit on the enterprise and initiative of its organizers.

Banking.

The Banque Misr, which was formed on 3rd April, 1920, as the first bank to be managed and capitalized entirely by persons of Egyptian nationality, has only increased its capital from £E.80,000 to £E.180,000, while the Board has been obliged to abandon the original idea of purely Egyptian management and co-opt an Austrian as adviser to the bank.

Insurance.

Although returns for life insurance have not reached the high standard of 1920, it must be considered that, on the whole, companies can point to a very fair return for 1921 in spite of political unrest and an attempted boycott. In December, 1921, so far as insurance business is concerned, the boycott seems to have resulted in an increase rather than a decrease, although 75 per cent. of the *clientèle* of many of the large British companies is Egyptian.

Canadian insurance companies have now branched out into Egyptian trade, and one company, it is understood, has secured a considerable *clientèle*. The greater part of this important business is entirely in the hands of old, well-established and time-honoured British firms.

Marine Insurance.—No provision has been made for rates on United States Shipping Board vessels, but the majority of companies have instructed their local representatives to charge an additional rate varying between 5*s.* and 2*s.* 6*d.*, the former for vessels fitted with geared turbines, and the latter for vessels propelled by ordinary machinery. Discrimination has compelled shippers to desert the Alexandria market, and at least 85 per cent. of the cover for direct shipment between Alexandria and the United States of America is being obtained in America or in London, through New York or Boston branches.

Marine insurance which of late years has depended upon the magnitude or otherwise of exports of cotton is largely regulated by the Underwriters' Association in Alexandria (the local executive of the London Underwriters' Association).

Although a fair trade is done in other commodities, notably cereals, no tariff has been constituted in that regard, and one is led to believe that the provision of such a tariff would supply a long felt want.

The above Association also controls insurances on inland water and other transport, which is of great importance owing to the necessity for moving cotton from the Provinces to Alexandria for sale and shipment abroad. Improvements in methods of loading into and discharge from native barges are urgently called for, as well as the institution of some system, such as the Plimsoll mark on ocean going vessels, to prevent overloading of barges, which is of very frequent occurrence and is often fraught with disaster.

Fire Insurance.—Fire insurance during recent years has assumed important proportions. As in marine insurance, the principal interest involved is cotton, and in this respect Alexandria is probably unique in confining the marketing and storage of this commodity to one clearly defined area—Minet-el-Bassal, where the shoonahs (*i.e.*, cotton warehouses) and steam presses are situated. The installation of sprinklers, which has already proved its efficiency in a big fire, has considerably lessened the danger of fire. The Alexandria Fire Brigade is fitted with modern and up-to-date equipment and appliances and on many occasions has demonstrated its worth in speedily mastering outbreaks of fire in shoonahs and on board ships in the harbour.

Property and Vehicle Insurance.—These forms of insurance are freely given in Cairo and Alexandria at reasonable rates. Large numbers of claims have lately been met, but attempts to obtain payment by fraudulent claims are very frequent.

As a result of political unrest, certain underwriters have decided to avail themselves of the clause giving companies the right of cancellation on the expiry of any named period or number of days, on due notice being given. They propose to rearrange premiums subjecting existing insurances covering war, riot risks, &c., to 10 days' notice.

Competition.—In insurance, as in banking, Great Britain leads the way in influence and prestige, and in spite of strong competition by certain French companies, particularly in fire insurance amongst the smaller shopkeepers, and the recent efforts of American organizations to enter the field, British companies still maintain the predominating position. The solid services rendered by the British companies and their manner of handling claims, not only with justice but with generosity, constitute a record which is not forgotten by insurers whatever their nationality.

French companies are fortunate in securing an appreciable amount of business on the strength of linguistic and sentimental associations, but it remains to be seen whether the Americans will be so fortunate.

Contrary to their practice elsewhere, few of the large Eastern companies have established branches in Egypt, although several have well-selected agencies.

III.—INDUSTRY AND PRODUCTION.

No sensational developments have occurred during the past year in the mining industry of Egypt which, with the exception of petroleum, has largely been marking time. This is due to the world slump and difficulty in finding buyers for the output; there has consequently been no inducement to expand production, nor has money been forthcoming for new enterprise.

Petroleum.—The D'Arcy Exploration, the British Sinai, and other companies began in 1921 active exploratory work on licences previously acquired. The areas thus being tested are largely situated in hitherto untried localities, and should success be attained, it will encourage the expansion of the petroleum industry in Egypt.

The Egyptian Government continued geological and drilling research operations on both sides of the Gulf of Suez, and proceeded with the erection of a small refinery which is expected to be put into operation this year. Drilling continues at Abu Durba and has just been started at Abu Shaar.

The Anglo-Egyptian Oilfields, Limited, enlarged the sphere of its exploratory work, and in 1921 produced mainly from Hurgada 178,284 metric tons of crude petroleum, as compared with 145,226 metric tons in 1920.

Oil Supplies.—The production of Egyptian crude petroleum and its products is, however, far from adequate to meet the requirements of oil consumption in Egypt, and it will be seen from Appendix VIII that benzine, kerosene, and "mazout" (fuel oil) have to be imported on a fairly large scale, both direct as finished products from abroad, and as the result of the refining in Egypt of foreign crude oil. (The classification in the Customs statistics "Delivered from Suez Refinery" refers only to the products of foreign crude oil, since those delivered from Egyptian crude petroleum cannot be considered as imports.)

Demand for Petroleum Products in Egypt.—The consumption in Egypt of these commodities can be gauged approximately from the following :—

Benzine (Petrol).—There is a growing demand of about 10,000 tons per annum.

Kerosene (Paraffin or Burning Oils).—There is a constant demand of about 130,000 tons per annum, of which all but a very small percentage has to be imported. The market for kerosene is the steadiest in the Egyptian oil trade.

"Mazout" (Fuel and Diesel Oils).—The demand was considerable during the war and so long as coal was scarce and costly, but since coal has become cheap and plentiful, *i.e.*, during 1921, it has fallen from 217,000 tons, the figure at which it stood in 1920, to about 170,000 tons in 1921, which may be taken as the present annual demand.

Mineral Lubricating Oils and Greases.—During 1921 the imports totalled 6,423 metric tons, as against 8,037 metric tons for 1920.

Oil Storage at Ports.—In view of the necessity for installations for the safe storage, on a large scale, of oil, not only for consumption in Egypt but also for bunkering oil-driven vessels, the total number of tanks at each port together with their total storage capacity will give some idea of the increasing importance of the Egyptian oil trade.

Eight tanks have so far been erected at Port Said, and four more are contemplated, their storage capacity amounting respectively to 50,300 and 32,000 tons.

There are also 20 tanks at Alexandria with a total capacity of 70,000 tons, and 4 at Suez capable of storing 19,000 tons, which are exclusive of a large amount of tankage at the refineries and other installations at a distance from Port Tewfik, the present port.

At Suez, an oiling basin, designed to accommodate seven tankers at one time, is in course of construction.

The danger to public security that would arise from the erection of oil storage installations without a sufficient margin of safety, and the fact that there is no legislation extant in Egypt to regulate the limiting flashpoint of dangerous and non-dangerous oils, led the Egyptian Government during 1921 to appoint a special committee to consider the drawing up of regulations (which up to the time of writing had not been completed) for the import, sale, and storage of petroleum and its products in Egypt.

The Egyptian Government, as a producer of oil on its own account, is itself closely interested in, and will naturally be bound by, any regulations for safe storage that may at any time be enforced.

Manganese Ores.—The Sinai Mining Company—which is still the only producer—extracted 55,065 tons in 1921, as compared with 77,562 tons in 1920. Though prices remained good at the commencement of 1921, the demand fell off, and it was not until the late autumn that export was renewed at lower prices.

Phosphate.—The production in 1921 was 122,024 metric tons, as compared with 114,813 in 1920. The demand for phosphate

was poor throughout the year, and some of the mines were partially shut down.

Mineral Colouring Matters.—The Government Laboratory and the Bureau of Commerce and Industry of the Egyptian Government both have a high opinion of the possibilities of a revival of an ancient Egyptian industry which has recently been brought about as the result of the enterprise of a small Egyptian firm who are at present working a plant at Helouan, near Cairo, for the manufacture of dry colours and mixed paints. The firm contemplates the erection in the near future of a larger factory with more up-to-date plant, when they hope to be in a position to produce an output of 20,000 tons of various finished dry colours, and 2,000 tons of ready mixed paints in a year of 300 days.

The ingredients for the manufacture of these colours are taken from the same mines as those worked by the ancient Egyptians for the decoration of their temples and palaces, &c., which have sufficiently proved both their longevity and the excellence of their quality.

Work of the Government Laboratory.—One of the Egyptian Government Departments which renders considerable assistance to local industry is the Government Laboratory which, by the analysis of Egyptian manufactures, is able to point out defects and explain the methods by which they can be remedied.

Bureau of Commerce and Industry.—Both by collaboration with the foregoing Department and by a considerable extension of its own activities and usefulness during 1921, the Bureau of Commerce and Industry has been of invaluable assistance to Egyptian trade and industry.

IV.—TRANSPORT AND COMMUNICATIONS.

Shipping.—Cotton and other cargoes to Liverpool and Manchester are carried entirely in British bottoms, but the Deutsche Levante Linie are competing for cargoes, including cotton seed, to London.

Exports of Egyptian cotton to the United States of America were, up to December, 1921, entirely in the hands of British shipowners, but the reiterated demand of the United States Shipping Board to share in the carrying of cotton to America led to negotiations between them and the British lines, with the result that the trade is now divided between British and American tonnage in equal proportions.

Imports from the United States of America are divided between British and American vessels. Imports from the United Kingdom were until recently carried entirely in British ships, but during the summer of 1921 quantities of British goods were carried in German boats after transhipment at Antwerp. German boats have even carried considerable quantities of fruit, hides, skins and bones, and other goods to London.

Statistics showing the numbers, nationalities and cargoes of vessels entering and leaving Egyptian ports were not available in time for inclusion or discussion in this Report.

Passenger Traffic.—The continued high rates charged by British, French and Italian passenger lines to and from Egypt are causing a great amount of embarrassment to Europeans in Egypt, and many people desirous of going home to Europe are unable to afford the journey. It is generally considered that, in view of the large fall in the price of coal and general commodities in the United Kingdom (it being presumed that British steamship companies purchase their supplies in bulk at wholesale prices), and of the recent decreases in the wages of British crews, the time has arrived when British Mediterranean passenger rates should be reduced in proportion. The Italian and French lines have for some time been able to make a reduction of 20 per cent. in favour of Egyptian and Sudan Government Officials, and British Officers, which strengthens the case of the general public for an all-round reduction in passenger rates.

Every effort is made by passengers to secure accommodation on the Japanese liners—rather than British, French or Italian—in view of the tremendous difference in the rates. It is said that strong German competition is shortly to be expected in the Mediterranean passenger business.

Much could be said on this subject from the point of view of the business man who is unable to visit the United Kingdom and elsewhere as often as he would like to.

Pilferage of Goods.—It is generally agreed that, as a result of the care now exercised by the Customs Authorities, cases of pilferage and theft at Alexandria have been reduced to a minimum. The worst phases during 1920 were due to the great congestion at the Customs sheds owing to importers delaying or refusing to take up documents and clear goods, which often necessitated merchandise being left from 6 to 30 days on the open quays. Underwriters are, however, still compelled to meet claims for pilferage, but it is considered that in the majority of cases the thefts were committed either at the port of embarkation or upon the steamer.

German Competition.—The increase of trade between Germany and Egypt is to a great extent due to the fact that the bulk is carried in German vessels, which are continually increasing in number. The Deutsche Levante Linie have brought the total of their Mediterranean service up to 31 vessels, and the Deutsche Orient Linie (Stettin) to eight. The latter company take any cargo for Hamburg, Antwerp, Bremen or London, and they carry all exports of timber from Finland to Egypt and other Mediterranean countries, besides general cargo.

German boats arrive in Egypt from Hamburg, Rotterdam and Antwerp heavily laden with every variety of merchandise, and as a rule succeed in obtaining cargoes in Alexandria for Beyrout and other Mediterranean ports. The freights accepted by the German lines are very low.

Local Motor Transport.—Motor transport of all kinds, particularly in the form of taxi-cabs and commercial motor vehicles, received a tremendous fillip in 1921 as the result of public appreciation of a cheaper and quicker means of locomotion than the slow and dingy horse-cabs in charge of surly and rapacious drivers.

Five regular omnibuses and 234 taxi-cabs are now running in Alexandria in addition to 1,137 private motor cars and 359 motor cycles; while commercial motor vehicles consist of 69 heavy lorries and 35 light motor vans. In Cairo 308 taxi-cabs, 79 motor omnibuses (used by schools, hotels, &c.), and a few others plying for hire, are running; private motor cars number 1,944 and motor cycles 930; while there are 110 motor lorries used by business firms, works, &c.

A considerable amount of road haulage is successfully carried out on producer gas, but on the whole anthracite coal is preferred if it can be purchased cheaply.

Commercial Aviation.—A regular fortnightly air mail service has been arranged between Palestine and Mesopotamia, *viâ* Cairo, and a similar service in the reverse direction.

Telephones.—An enterprising United Kingdom firm has challenged what was virtually the monopoly of a foreign firm for many years, viz., telephone apparatus, and, as a result, has secured several orders for private installations of automatic apparatus.

Wireless Telegraphy.—The completion of the Abu Zabal wireless station near Cairo, and the establishment, as the result of tests, of direct communication with Leafield, constitutes an important link in the Imperial Wireless Chain, as well as providing Egypt, North Africa and the Near and Middle East with an inestimable boon. Great credit is due to the engineers who were responsible for the efficiency and despatch of the operations.

The service commenced on the 24th April, 1922. Telegrams are accepted at any Post Office in the United Kingdom for Egypt, Palestine and Syria for transmission by wireless to Cairo and thence by landline to their destination. The rates of charge are 3*d.* less than the corresponding cable rates for full-rate traffic, and 1½*d.* a word less than the corresponding cable rates for deferred traffic, as indicated in the following table :—

	Ordinary.	*Deferred.*
	s. d.	*s. d.*
Egypt—		
1st Region	0 9	0 4½
2nd Region	0 10	0 5
3rd Region	1 1	0 6½
Palestine	0 10	0 5
Syria	1 0	0 6

Press messages may be sent to Egypt (1st Region) and Palestine at 2½*d.* and 3½*d.* a word respectively.

Telegrams intended for transmission by this route should be marked "Via Wireless."

In addition, arrangements have been made, pending the provision of further stations of the Imperial Wireless Chain, for telegrams addressed to places beyond Egypt served by the system of the Eastern Telegraph Company to be forwarded by wireless to Cairo and thence by the Company's service to their destination at the normal rates of charge; and the Postmaster-General reserves the right to forward telegrams handed in at Post Offices for places in the Near and Far East, Australasia, and East and South Africa by this route according to the exigencies of the service, unless they are specifically marked by the senders for transmission *via* the Eastern Telegraph Company's cables or *via* France.

V.—SOCIAL QUESTIONS AND LABOUR.

Cost of Living.

Retail prices of food and articles of general household utility have maintained an average index number of about 213 during the year 1921; the figure for Cairo for January, 1922, being 205.

The rents demanded for apartments in new buildings (which are not covered by the Rent Laws limiting increases to 50 per cent. over the 1914 rents) are extortionate, and new buildings should be brought within the scope of existing legislation on this subject. In order to get round the Rent Laws, a system has been created whereby the outgoing tenant of a flat demands a lump sum (which is called key money) from the incoming tenant. This money is shared between the former and the landlord and/or the house agent.

As a result of a general agitation, the Rent Law No. 4 of 1921 has been prolonged for the further period of one year from 1st July, 1922.

Hotels and Pensions still maintain the high rates demanded during recent years, and no relief can be expected until the building of private houses and flats is resumed on a more extensive scale, which will allow of families at present living in Pensions to move into establishments of their own, and thus lessen the demand for Pensions, which should result in a lowering of rates.

Under the Heliopolis Housing Scheme, 100 houses have been completed, and a further 100 are expected shortly to be ready for occupation, but this is only a very small portion even of Cairo's housing requirements.

Owing to the exceptional rise in the cost of certain articles, the Ministry of Agriculture has adopted, from the beginning of February, 1922, the geometrical instead of the arithmetical mean in calculating the index number of wholesale prices in Cairo and Alexandria.

Labour Conditions.

In comparison with 1920, the year under review has been comparatively free from labour troubles, and, thanks to the continued efforts of the Conciliation Board, the only cases that have not been brought to a satisfactory and durable conclusion are those

of the Cairo Tramways, and the hand-rollers of cigarettes who have lost their employment through the introduction of machinery

The difficulty with the Cairo Tramways is that the frequent strikes which took place during 1921 had no economic origin or justification ; whereas in the case of the hand-rollers of cigarettes, it is chiefly a matter of trying to decide whether they are justified in claiming compensation for their dismissal, and demanding that the cigarette-making machinery which has ousted them should be taxed in order to provide a fund for such compensation.

The introduction of machinery has not only saved the cigarette industry in Egypt for a time, but also increased the number of workers connected with the trade, as there are now more than 15 factories in this country engaged in making cigarette boxes. Considerable diminution both in orders from abroad, owing to the manufacture of cigarettes on an increasing scale in countries which had been among Egypt's best clients, and a diminution in local consumption of high class hand-made cigarettes, owing to the increasing preference for a good, cheap machine-made one, made it imperative to reduce the cost of production if the Egyptian cigarette industry was to continue.

One thousand cigarettes made by hand cost PT.21½ ; if machine-made they cost only PT.1½, a difference of PT.20 per 1,000. The result is that whereas on 1st January, 1920, the total number of men employed by twelve of the principal cigarette-making firms was 1,519, only 318 were in their employ on 30th June, 1921, and in all 150 machines, each doing the work of 40 to 75 hand-rollers, have been installed in Egypt. On the latter date four of these twelve firms used machines only, six had machines and hand-rollers, and two continued to employ hand-rollers only.

A good deal of discontent among the discharged hand-rollers is no doubt due to the fact that some of the cigarette-making firms have given as compensation to their ex-employees sums varying from £E.15 to £E.85 a head, and that the question of compensation of those who have not been so fortunate has been left to the discretion of the firms concerned.

As regards the imposition of a tax on cigarette-making machinery, the Government is naturally averse from handicapping or discouraging an industry which furnishes so valuable a source of revenue as that which accrues from the import dues on leaf tobacco, 7,354,645 kilogrammes of which were imported in 1921 as compared with 8,275,011 in 1920 and an average for the years 1916-20 of 6,990,229.

A feature of the cigarette trade and industry in Egypt which is perhaps not generally realised is that only 5 to 6 per cent. of the leaf tobacco imported in any year is re-exported in the form of cigarettes Thus only 397,959 kilogrammes of cigarettes were exported in 1921, as against 446,160 in 1920, and an average of 405,220 for the years 1916-20.

APPENDIX I.

CUSTOMS AND EXCISE DUTIES, INCLUDING ALTERATIONS DURING 1921.

A.—Customs Duties.

The Customs Duty on all imports into Egypt is 8 per cent. *ad valorem*, and on all exports from Egypt 1 per cent. *ad valorem*, with the following exceptions:—

1. *Imported Alcohol* has since 25th June, 1921, been subjected to the following specific Customs Duties:—

(*a*) 100 milliemes per litre on alcohol, whether compounded or not, and containing a proportion of absolute alcohol not exceeding 50 per cent. of its volume.

(*b*) 200 milliemes per litre of alcohol, whether compounded or not, and containing a proportion of absolute alcohol exceeding 50 per cent. of its volume.

(*c*) 170 milliemes per litre of any perfumery or toilet preparation containing alcohol.

(*d*) Wines of all kinds containing a proportion of absolute alcohol exceeding 23 per cent. of their volume are subject to these duties.

Compounded alcohol is considered, for the purpose of these duties, as including all spirits, brandies, liqueurs and beverages, such as brandy, cognac, whisky, rum, gin, arrack, zebib, mastic, benedictine, chartreuse, kummel, maraschino, sloe gin, fernet, ferro-china, bitters, and generally all liqueurs or beverages containing distilled alcohol, as well as all liquids or products containing alcohol which are considered by the Customs Administration as being assimilated to the foregoing products.

Alcohol that has been denatured in accordance with the conditions, and by the processes, laid down by the Customs, pays a uniform duty of 6 milliemes per kilogramme.*

No drawback is allowed on re-export of any imported alcohol that has paid these specific duties.

The import duty of 10 per cent. *ad valorem*, imposed by decree of August, 1915, on alcoholic liquids and beverages, is cancelled, except in the case of those containing a proportion of absolute alcohol not exceeding 2 per cent. of their volume, and of genuine medicinal preparations containing distilled alcohol, which are exempt from the above specific duties.

2. *Consumption Dues* of 2 per cent. *ad valorem*, in addition to the ordinary 8 per cent. import duty, were imposed as from 1st August, 1921, on the following imports:—

(a) *Liquids*:—Ammonia; azotic acid; beer; cider; chlorhydric acid; castor oil; colza oil; sulphuric acid; turpentine.

(b) *Foodstuffs*:—Apricots (dried or in paste); carobs; cinnamon; cloves; cocoa; coconut oil; coffee, condensed milk; figs (dried); fish (preserved in boxes or pots); gelatine; meat (preserved in boxes or pots); nuts; pepper, prunes; tea.

(c) *Building Materials*:—Asphalt; cast-iron pipes; felt (treated with tar or pitch); galvanized iron or steel plates; angles, bars; iron or steel girders, plates, sheets; lead pipes and sheets; looking glasses (unsilvered); marble; paper (treated with tar or pitch); pitch; window glass; zinc sheets.

3. *Tobacco*:—(*See* text of Report under this heading for latest increase in the specific duties on imported leaf tobacco).

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* By a Decree of 23rd April, 1922, the specific duty on imported alcohol that has been denatured was reduced from 6 milliemes per kilogramme to 3 milliemes.

4. *Petroleum Products*:—Kerosene 4 per cent. *ad valorem*; benzine and mineral lubricating oil 15 per cent. *ad valorem* (since 30th March, 1921, when mazout increased from 4 per cent. to 8 per cent. *ad valorem*).

5. *Wood* of all kinds 10 per cent. *ad valorem*, excepting firewood, which is 4 per cent. *ad valorem*.

Quay Dues and Paving Dues are levied in addition to Customs Duties on Imports and Exports and are as follows:—

Quay Dues—On Imports:—

At Alexandria and Suez 4½ per mille; Port Said 7 per mille.

On Exports:—12 per mille at all three ports.

On imported tobacco ½ millieme per kilo.

Paving Dues on Imports and Exports are:—

Half per mille at Alexandria; one per mille (optional) at Port Said; and nil at Suez.

On imported tobacco one eight of a millieme per kilo.

B.—Excise Duties:—

1. *Cotton*.—A tax of P.T. 35 per cantar on ginned cotton has been in force since October, 1920.

2. *Petroleum*.—Products derived from Egyptian crude oil have, since 31st March, 1921, been subject to the following Excise duties:—

11 per cent. *ad valorem* on benzine and lubricating oils.

4 per cent. *ad valorem* on mazout (oil fuel) and all other products excepting kerosene.

Oil burnt in the refinery is also liable to Excise duty.

3. *Alcohol*, whether industrial or other, and all spirits, liqueurs and alcoholic beverages, distilled locally, have, since 11th July, 1921, paid Excise duty of 195 milliemes per litre of absolute alcohol contained therein.

4. The same liquids, foodstuffs and building materials to which the Consumption Dues (*see* above) apply have—if locally produced—been subject, since 1st August, 1921, to an Excise duty of 2 per cent. *ad valorem*, with the exception of mineral lubricating oil, which is already provided for under petroleum products of Egyptian origin.

5. The Filature Nationale at Alexandria has to pay 4 per cent. on the invoice value of its manufactures if sold in Egypt and the Sudan (but not if exported overseas).

APPENDIX II.

EXPORTS OF COTTON TO PRINCIPAL COUNTRIES IN YEARS 1920 AND 1921.

	1920.		1921.	
	Cantars.	£E.	Cantars.	£E.
United Kingdom ...	1,744,410	31,064,882	2,183,797*	13,054,356*
Austria...	18,885	302,944	27,847	149,678
Belgium	12,760	246,766	20,224	106,962
Czecho-Slovakia ...	14,267	238,155	45,374	259,104
France	407,660	7,849,137	413,956	2,460,580
Germany	76,681	1,261,754	263,794	1,428,392
Greece	6,031	98,667	8,778	44,584
Holland	3,873	77,393	10,461	69,748
Italy	167,702	3,045,870	166,145	929,746
Japan	56,488	1,073,832	214,692	1,103,763
Palestine	1,023	10,527	4,235	24,461
Poland	3,177	59,971	3,932	24,722
Portugal	3,892	75,235	9,423	53,187
Spain	74,066	1,249,791	132,070	753,098
Switzerland	140,151	2,205,530	245,016	1,303,786
U.S.A....	1,268,689	26,222,272	1,018,412*	6,489,248*
Other Countries ...	1,712	13,300	23,561	119,834
	4,001,467	75,096,026	4,791,717*	28,375,249*

* *Note.*—During the period 1st September to 31st December, 1921 (constitutin the first 4 months of the 1921–22 Cotton Season), no less than :—

Cantars		£E.			
1,139,237	valued at	8,186,260,	were exported	to	the United Kingdom.
733,033	„ „	5,228,716	„ „	„	U.S.A.
666,207	„ „	4,588,214	„ „	„	Other Countries.
i.e., 2,538,477	„	„18,003,190			

thus accounting for more than half the total quantity, and over 64 per cent. of the total value exported during the whole of 1921.

APPENDIX III.

EXPORTS OF RAW COTTON FROM EGYPT DURING THE 1919-20 AND 1920-21 COTTON SEASONS.

Country of Destination.	1st Sept., 1919 to 31st Aug., 1920.		1st Sept., 1920 to 31st Aug., 1921.		Increase or decrease in 1920-21 over 1919-20 season.	
	Cantars.	£E.	Cantars.	£E.	Cantars.	£E.
United Kingdom	3 044,903	44,332,993	1,697,526	12,373,171	— 1,347,377	— 31,959,822
Austria	9,091	203,460	29,611	193,715	+ 20,520	— 9,745
Belgium	17,485	321,435	18,527	135,502	+ 1,042	— 185,933
Czecho-Slovakia	19,893	320,025	25,838	118,505	+ 5,945	— 201,520
France	435,882	8,171,099	319,329	2,313,547	— 116,553	— 5,857,552
Germany	50,957	1,018,094	208,715	1,227,297	+ 157,758	+ 209,203
Greece	4,525	77,459	10,411	74,244	+ 5,886	— 3,215
Holland	12,224	161,430	6,117	40,675	— 6,107	— 120,755
Italy	233,893	3,960,329	160,333	1,132,036	— 73,560	— 2,828,293
Japan	121,356	1,810,329	141,702	675,286	+ 20,346	— 1,135,043
Poland	2,774	57,469	1,881	8,616	— 893	— 48,853
Portugal	5,862	96,752	6,374	32,152	+ 512	— 64,600
Spain...	74,191	1,247,275	111,774	761,528	+ 37,583	— 485,747
Switzerland	130,172	2,104,813	245,913	1,677,711	+ 115,741	— 427,102
United States of America	2,172,128	37,564,847	393,229	2,393,980	— 1,778,899	— 35,170,867
Other Countries	2,818	37,688	23,620	117,099	+ 20,802	+ 79,411
Totals	Crs. 6,338,154	101,485,497	Crs. 3,400,900	£E23,275,064	— 2,937,254	— 78,210,433
Average price per Cantar	£E 16·012 m/ms.		£E 6·843 m/ms.			

APPENDIX IV.

Cotton Out-Turn, 1921-22.

Reference Letters.		*Cantars.*	*Date.*
A.	Stock Provinces estimated at...	1,100,000	1/9/21
B.	„ Alexandria „	1,835,000	„
C.	Total carry-over in Egypt	2,935,000	„
D.	Crop estimate 1921–22	4,000,000	„
E.	Total supply for 1921–22 Season	6,935,000	„
F.	Total in Provinces A plus D...	5,100,000	„
G.	Arrivals 1/9/21 to 31/3/22	4,460,072	
H.	Stock in Provinces 31/3/22	639,928	31/3/22
I.	Stock in Alexandria (including B) 31/3/22...	2,269,392	„
J.	Total stock in Egypt	2.909,320	„
K.	Exports 1/9/21 to 31/3/22	4,025,680	
E.		6,935,000	

The estimated yield of the 1921-22 crop, given above (*see* D) as 4,000,000 cantars, is considered by many to be a conservative one, in spite of the official estimate being only 3,300,000 cantars, and that of the Alexandria General Produce Association 3,450,000 cantars. However, it will be seen from A, D and G above that, if either of the two latter estimates are accepted, more cotton had arrived at Alexandria by 31st March 1922, than was in existence in the provinces on the opening day of the 1921-22 season, unless A has been underestimated.

The 4,000,000 estimate would appear to be more accurate in view of the fact that the stock remaining in the provinces was estimated by an expert at about half-a-million cantars on 12th April, 1922, by which date G had risen to 4,601,052 cantars, thus decreasing H by 140,980 cantars in the interval.

The weekly average for the first 30 weeks of the 1921-22 season (the period dealt with above) of arrivals is 148,669, and of exports 134,189 cantars. If these averages are kept up for the rest of the season, the remaining stock in the provinces will have all arrived by the beginning of May, 1922, and the whole of the stock of cotton available in Egypt on 31st March, 1922, (*see* J) will have been exported by 31st August next, thus leaving no carry-over at all to the 1922-23 crop, already reduced by restriction of acreage.

APPENDIX V.

SUMMARY OF VALUE OF IMPORTS, CLASSIFIED BY CATEGORIES, IN 1920 AND 1921.

Categories.	1920.	1921.	Decrease in 1921.
	£E.	£E.	£E
I. Animals and Animal Food Products.	2,080,793	1,362,461	— 718,332
II. Hides, Skins and Leather Goods	1,602,519	534,665	— 1,067,854
III. Other Animal Products	60,657	56,487	— 4,170
IV. Cereals, Flour and Agricultural Produce	13,285,001	11,564,771	— 1,720,230
V. Colonial Produce and general Grocery.	4,849,342	1,352,853	— 3,496,489
VI. Spirits, Beverages and Oils ...	5,947,634	3,817,557	— 2,130,077
VII. Paper and Printed Matter ...	2,150,094	998,545	— 1,151,549
VIII. Wood and Coal	11,993,427	6,179,055	— 5,814,372
IX. Stone, Earthenware and Glassware.	1,931,538	1,128,880	— 802,658
X. Dyestuffs, Tanstuffs and Colours	886,200	467,233	— 418,967
XI. Chemical and Medicinal Products and Perfumery.	5,530,829	2,399,716	— 3,131,113
XII. Yarns and Textiles	34,441,258	14,682,793	—19,758,465
XIII. Metals and Metalware	11,842,153	7,382,381	— 4,459,772
XIV. Miscellaneous	2,094,520	1,607,459	— 487,061
Total of Merchandise imported	98,695,965	53,534,856	—45,161,109
Total of Tobacco	3,184,998	1,973,128	— 1,211,870
TOTAL OF IMPORTS	101,880,963	55,507,984	—46,372,979

APPENDIX VI.

VALUE OF IMPORTS FROM PRINCIPAL COUNTRIES, 1920 AND 1921.

——	1920.	1921.	Increase (+) or Decrease (—) in 1921.
	£E.	£E.	£E.
United Kingdom	37,894,760	16,937,839	—20,956,921
British Mediterranean Possessions ...	483,810	304,139	— 179,671
British India	3,338,709	1,536,940	— 1,801,769
Australia and New Zealand	4,900,724	3,159,417	— 1,741,307
Canada	244,952	108,857	— 136,095
Other British Possessions in Far East	582,183	293,509	— 288,674
British Possessions in Africa... ...	1,322,670	366,328	— 956,342
BRITISH EMPIRE TOTAL ...	48,767,808	22,707,029	—26,060,779
Austria	310,090	234,397	— 75,693
Belgium	1,927,163	1,210,124	— 717,039
Chile	2,057,266	267,472	— 1,789,794
Czecho-Slovakia	262,252	272,561	+ 10,309
Finland	296,312	134,178	— 162,134
France	6,104,865	4,208,780	— 1,896,085
French Mediterranean Possessions ...	189,720	88,029	— 101,691
Germany	1,186,121	1,649,458	+ 463,337
Greece	2,085,531	1,282,742	— 802,789
Holland	649,923	423,476	— 226,447
Italy	5,705,020	3,092,516	— 2,612,504
Japan	2,264,051	746,856	— 1,517,195
Mexico	348,250	323,540	— 24,710
Palestine	784,125	733,195	— 50,930
Roumania	526,749	1,052,995	+ 526,246
Russia	871,754	249,182	— 622,572
Serbia	449,709	289,801	— 159,908
Sweden	1,639,665	778,347	— 861,318
Switzerland	1,549,646	613,033	— 936,613
Turkey	1,174,742	784,912	— 389,830
United States of America	10,751,055	8,355,500	— 2,395,555
TOTAL, INCLUDING OTHER COUNTRIES.	101,880,963	55,507,984	—46,372,979

APPENDIX VII.

GERMAN COMPETITION, 1920 AND 1921.

Principal Imports affected.	Germany.		United Kingdom.	
	1920.	1921.	1920.	1921.
	£E.	£E.	£E.	£E.
Beer, stout, ale in bottles ...	60,050	33,597	97,627	53,241
Cardboard, thick	1,473	6,249	53,061	7,611
Wrapping paper...	3,344	16,937	20,310	8,962
Glazed paper for cigarette boxes	642	3,517	11,362	3,445
Wooden manufactures, miscellaneous.	3,774	8,514	7,891	6,193
Chinaware, &c., miscellaneous...	48,482	16,363	65,765	18,412
Lamp chimneys	21,050	19,099	255	53
Bottles	4,053	6,375	7,579	5,846
Glass (table)	20,126	7,707	6,317	5,143
Glass bracelets, beads	12,770	15,628	1,007	690
Synthetic indigo...	85,335	89,933	20,314	8,907
Coal tar dyes	15,451	19,447	17,439	3,383
Painters' colours (powder) ...	4,796	7,442	28,542	5,970
Medicinal preparations... ...	11,218	20,866	175,058	91,636
Cotton hosiery	41,728	57,168	153,958	55,049
Silk hosiery	2,653	5,208	8,115	5,634
Iron or steel hollow ware, japanned or enamelled.	55,773	21,645	16,892	5,917
Petroleum stoves	2,803	10,131	7,419	4,428
Cutlery and tableware	35,328	28,364	45,896	15,876
Locks and fittings	48,740	49,822	17,286	12,863
Door and window fittings ...	21,761	26,772	6,236	3,069
Motor vehicles and chassis ...	47,984	54,934	171,763	48,405
Tip waggons and trolleys ...	9,368	6,744	2,019	1,695
Electric light fittings	4,175	17,011	22,517	18,675
Toys	47,346	42,067	12,847	4,867
Hygienic apparatus	1,976	10,815	9,269	5,006
Stationary internal combustion engines.	12,975	30,268	253,020	158,852
TOTAL VALUE OF ALL IMPORTS.	1,186,121	1,649,458	37,894,760	16,937,839

APPENDIX VIII.

IMPORTS OF BENZINE, KEROSENE AND MAZOUT (OIL FUEL) AND COAL IN 1920 AND 1921.

——	1920.		1921.	
Benzine—	M. tons.	£E.	M. tons.	£E.
Delivered from Suez Refinery ...	4,696	122,500	10,598	212,799
Imported direct from—				
U.S.A.	356	16,328	2,695	65,441
Other Countries	2	149	12	319
TOTAL	5,054	138,977	13,305	278,559
Kerosene—				
Delivered from Suez Refinery ...	38,487	565,987	41,004	424,158
Imported direct from :—				
Persia	6,364	95,420	8,873	104,260
Roumania	23,090	333,797	35,056	264,580
Russia	49,135	693,904	5,996	43,768
U.S.A.	15,631	282,634	46,042	552 410
TOTAL	132,707	1,971,742	136,971	1,389,176
Oil Fuel (*Mazout*)—				
Delivered from Suez Refinery ...	51,083	425,578	24,498	154,792
Imported direct from :—				
Mexico	35,044	348,223	50,369	322,596
Persia	—	—	2,456	23,435
Trinidad	4,716	42,444	—	—
U.S.A.	24,458	255,720	4,810	37,140
Other Far Eastern Countries ...	1,990	23,874	2,663	15,977
Other Countries	15,952	191,436	11	46
TOTAL	133,243	1,287,275	84,807	553,986
Coal—	Tons.	£E.	Tons.	£E.
United Kingdom	232,054	1,588,952	396,411	1,063,375
Australia and New Zealand ...	34,187	247,970	38,747	243,187
Belgium	617	4,713	1,000	3,200
British India	50,487	355,367	545	3,960
British Possessions in Africa ...	101,610	832,342	72,119	334,129
U.S.A.	469,308	4,446,236	363,034	1,697,195
Other Countries	87	478	9,699	26,900
TOTAL	888,350	7,476,058	881,555	3,371,946

APPENDIX IX.

SUMMARY OF VALUE OF EXPORTS, CLASSIFIED BY CATEGORIES, IN 1920 AND 1921.

Categories.	1920.	1921.	Increase + or Decrease — in 1921.
	£E.	£E.	£E.
I. Animals and animal food products.	328,457	372,512	+ 44,055
II. Hides, skins and leather goods	743,194	443,248	— 299,946
III. Other animal products ...	52,788	68,820	+ 16,032
IV. Cereals, flour and agricultural produce.	5,116,788	4,840,616	— 276,172
V. Colonial produce and general grocery.	1,159,495	325,636	— 833,859
VI. Spirits, beverages and oils ...	216,339	238,406	+ 22,067
VII. Paper and printed matter ...	211,871	106,801	— 105,070
VIII. Wood and coal	56,574	55,804	— 770
IX. Stone, earthenware and glassware.	8,219	5,933	— 2,286
X. Dyestuffs, tanstuffs and colours	51,741	53,241	+ 1,500
XI. Chemical and medicinal products and perfumery.	679,177	309,955	— 369,222
XII. Yarns and textiles*	75,612,121	28,611,329	— 47,000,792
XIII. Metals and metalware ...	169,069	147,564	— 21,505
XIV. Miscellaneous	110,107	72,677	— 37,430
Total of merchandise exported	84,515,940	35,652,542	— 48,863,398
Total of cigarettes	951,121	703,520	— 247,601
TOTAL OF EXPORTS	85,467,061	36,356,062	— 49,110,999

* N.B.—Consisting almost entirely of raw cotton.

APPENDIX X.

TOTAL VALUE OF EXPORTS TO PRINCIPAL COUNTRIES IN 1920 AND 1921.

——	1920.	1921.	Increase + or Decrease —.
	£E.	£E.	£E.
United Kingdom	36,343,184	17,045,830	—19,297,354
British Mediterranean Possessions ...	167,289	90,975	— 76,314
British India	747,707	138,863	— 608,844
Australia and New Zealand	91,137	3,627	— 87,510
Canada	2,661	8,469	+ 5,808
Other British Possessions in Far East	94,773	40,173	— 54,600
British Possessions in Africa	56,646	24,077	— 32,569
BRITISH EMPIRE TOTAL ...	37,503,397	17,352,014	—20,151,383
Austria	303,030	150,165	— 152,865
Belgium	324,260	190,473	— 133,787
Czecho-Slovakia	238,852	259,134	+ 20,282
France	8,069,200	2,832,943	— 5,236,257
Germany	1,294,373	1,486,951	+ 192,578
Greece	413,036	415,778	+ 2,742
Holland	332,786	169,689	— 163,097
Italy	3,303,414	1,145,142	— 2,158,272
Japan	1,236,763	1,150,239	— 86,524
Palestine...	569,726	944,181	+ 374,455
Spain	1,299,719	815,028	— 484,691
Switzerland	2,246,837	1,346,458	— 900,379
Syria	528,764	525,940	— 2,824
Turkey	358,929	409,756	+ 50,827
United States of America	26,469,171	6,523,615	—19,945,556
TOTAL, INCLUDING OTHER COUNTRIES.	85,467,061	36,356,062	—49,110,999

REPORTS by H.M. Trade Commissioners, Commercial Diplomatic and Consular Officers on commercial and financial conditions in the following countries, issued or in course of preparation, by the Department of Overseas Trade.

(*All prices are net and those in parentheses include postage.*)

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Sweden 1*s.* 6*d.* (1*s.* 7½*d.*)
Switzerland ... 1*s.* 9*d.* (1*s.* 10½*d.*)
Syria 9*d.* (10*d.*)
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